



VC VIII Polytech Holding ApS

Industrivej 37
6740 Bramming
CVR No. 36459948

Annual report 2020

The Annual General Meeting adopted the
annual report on 28.06.2021

Knud Andersen

Chairman of the General Meeting

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Entity details

Entity

VC VIII Polytech Holding ApS

Industrivej 37

6740 Bramming

CVR No.: 36459948

Registered office: Esbjerg

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Knud Andersen, Chairman

Bjarne Kveim Lie

Erik Laursen

Matthias Albert Harmen Schubert

Executive Board

Mads Kirkegaard, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

6701 Esbjerg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of VC VIII Polytech Holding ApS for the financial year 01.01.2020 - 31.12.2020.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Bramming, 31.03.2021

Executive Board

Mads Kirkegaard
CEO

Board of Directors

Knud Andersen
Chairman

Bjarne Kveim Lie

Erik Laursen

Matthias Albert Harmen Schubert

Independent auditor's report

To the shareholders of VC VIII Polytech Holding ApS

Opinion

We have audited the financial statements of VC VIII Polytech Holding ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Esbjerg, 31.03.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Nikolaj Thomsen

State Authorised Public Accountant
Identification No (MNE) mne33276

Mikael Grosbøl

State Authorised Public Accountant
Identification No (MNE) mne33707

Management commentary

Financial highlights

	2020 EUR'000	2019 EUR'000	2018 EUR'000	2017 EUR'000	2016 EUR'000
Key figures					
Gross profit/loss	(194)	(47)	(21)	(51)	(49)
Operating profit/loss	(1,876)	(47)	(21)	(51)	(49)
Net financials	(340)	(29)	(484)	(534)	(374)
Profit/loss for the year	34,822	19,198	6,424	3,127	1,837
Total assets	108,093	56,927	40,392	39,442	38,643
Investments in property, plant and equipment	212	0	0	0	0
Equity	87,619	49,980	31,758	65,96	59,71
Ratios					
Return on equity (%)	50.61	46.97	33.50	49.77	15.92
Equity ratio (%)	81.06	87.80	78.62	16.72	15.45

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Total assets

Primary activities

The Company's activities are to carry on business - directly or indirectly - within the fields of development, manufacturing and distribution of polymeric and metal products and any associated equipment and tools, as well as any other activities that the Board of Directors deems ancillary or related thereto.

Development in activities and finances

Profit of the year amounts to EUR 34,822k (EUR 19,198k in 2019). On 31 December 2020 equity stands at EUR 87,619k (EUR 49,980k in 2019).

In 2020 the company has acquired the Fos4X group, and started carrying out business with shared services for the Danish business entities.

Profit/loss for the year in relation to expected developments

The development and result are in line with management's expectations.

Outlook

The company expect a continuing high demand and a result on par or above for 2021.

Use of financial instruments

The Company have accounts recivabels predominantly settled in EUR, USD or CNY. The Company has chosen not to enter into forward exchange contracts to hedge currency risks.

The majority of the company's outstanding debt to credit institutions consists of floating currency rates.

Income statement for 2020

	Notes	2020 EUR'000	2019 EUR'000
Gross profit/loss		(194)	(47)
Staff costs	2	(1,677)	0
Depreciation, amortisation and impairment losses		(5)	0
Operating profit/loss		(1,876)	(47)
Income from investments in group enterprises		36,669	19,261
Other financial income	3	77	252
Other financial expenses	4	(417)	(281)
Profit/loss before tax		34,453	19,185
Tax on profit/loss for the year	5	369	13
Profit/loss for the year	6	34,822	19,198

Balance sheet at 31.12.2020

Assets

	Notes	2020 EUR'000	2019 EUR'000
Acquired licences		119	0
Intangible assets	7	119	0
Other fixtures and fittings, tools and equipment		207	0
Property, plant and equipment	8	207	0
Investments in group enterprises		71,364	49,863
Receivables from group enterprises		2,912	0
Deposits		374	0
Other receivables		2,497	0
Financial assets	9	77,147	49,863
Fixed assets		77,473	49,863
Trade receivables		12,223	0
Receivables from group enterprises		17,005	4,925
Deferred tax	10	9	5
Joint taxation contribution receivable		819	5
Prepayments	11	564	0
Receivables		30,620	4,935
Cash		0	2,129
Current assets		30,620	7,064
Assets		108,093	56,927

Equity and liabilities

	Notes	2020 EUR'000	2019 EUR'000
Contributed capital	12	13	13
Reserve for net revaluation according to the equity method		0	7,474
Retained earnings		81,606	42,118
Proposed dividend		6,000	375
Equity		87,619	49,980
Bank loans		11,510	3,422
Lease liabilities		194	0
Non-current liabilities other than provisions	13	11,704	3,422
Current portion of non-current liabilities other than provisions	13	6,393	2,343
Trade payables		1,451	0
Payables to group enterprises		0	1,140
Other payables		926	42
Current liabilities other than provisions		8,770	3,525
Liabilities other than provisions		20,474	6,947
Equity and liabilities		108,093	56,927
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Assets charged and collateral	16		
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Statement of changes in equity for 2020

	Contributed capital EUR'000	Reserve for net revaluation according to the equity method EUR'000	Retained earnings EUR'000	Proposed dividend EUR'000	Total EUR'000
Equity beginning of year	13	7,474	42,118	375	49,980
Increase of capital	0	0	4,581	0	4,581
Ordinary dividend paid	0	0	0	(375)	(375)
Extraordinary dividend paid	0	0	(1,000)	0	(1,000)
Exchange rate adjustments	0	(500)	111	0	(389)
Profit/loss for the year	0	(6,974)	35,796	6,000	34,822
Equity end of year	13	0	81,606	6,000	87,619

The Company has issued warrants (divided into A-, B- and C-warrants) for 47,001 shares, entitling the holder to subscribe for 1 share in the Company of a nominal value of DKK 0.1 per share. The warrants have been granted to the warrant holder free of charge. The warrants must be exercised in the period from 1 February 2024 to 28 February 2024 or before in case of an Exit. An Exit is either a Sale, IPO or a liquidation of the Company, or an Indirect Sale of Polytech A/S to a Third Party (these terms are further defined in Appendix 1 of the Articles of Association). All issued warrants are subject to the same terms and conditions except that A-warrants are each exercisable for a price of DKK 107.1 plus an annual interest of 8 percent, B-warrants are each exercisable for a price of DKK 321.2 and C-warrants are each exercisable for a price of DKK 535.3.

In connection with a change in the ownership of the company the issued warrants is cancelled in the beginning of 2021.

Notes

1 Events after the balance sheet date

The COVID-19 pandemic throughout the world can potentially have an influence on the business for the group. The spread of COVID-19 has not materially impacted the group business activities during 2020 although the aftermarket activities was lower than expected at the beginning of 2020.

However, currently it is not possible to predict the influence in the coming months. As the potential impact is unknown at this time, this has not been included when setting the expectations for activity and earnings in 2021.

2 Staff costs

	2020 EUR'000	2019 EUR'000
Wages and salaries	1,499	0
Pension costs	115	0
Other social security costs	8	0
Other staff costs	55	0
	1,677	0
Average number of full-time employees	9	0

	Remuneration of management 2020 EUR'000
Total amount for management categories	29
	29

Special incentive programmes

In 2016 warrants were granted free of charge in VC VIII Polytech Holding ApS to members of the Executive board and Board of directors as part of an incentive programme.

A total of 1,116.6 A-warrants were issued, which each give a pre-emption right to a share of nominal dkk 0.1 vested 1/84 share per month at a subscription price of 107.1 plus an annual interest rate of 8% from 13 May 2016.

A total of 1,116.6 B-warrants were issued, which each give a pre-emption right to a share of nominal dkk 0.1 vested 1/84 share per month at a subscription price of 321.2.

A total of 1,116.6 C-warrants were issued, which each give a pre-emption right to a share of nominal dkk 0.1 vested 1/84 share per month at a subscription price of 535.3

In connection with a change in the ownership of the company, the remaining 38/84-part of the warrants issued have been granted to the management and at the same time all warrants granted have been transferred to the market value by the management. The company has not incurred any expenses in connection with the redemption.

3 Other financial income

	2020	2019
	EUR'000	EUR'000
Financial income from group enterprises	60	252
Exchange rate adjustments	17	0
	77	252

4 Other financial expenses

	2020	2019
	EUR'000	EUR'000
Other interest expenses	321	281
Exchange rate adjustments	96	0
	417	281

5 Tax on profit/loss for the year

	2020	2019
	EUR'000	EUR'000
Current tax	(367)	(5)
Change in deferred tax	(3)	(8)
Adjustment concerning previous years	1	0
	(369)	(13)

6 Proposed distribution of profit and loss

	2020	2019
	EUR'000	EUR'000
Ordinary dividend for the financial year	6,000	375
Extraordinary dividend distributed in the financial year	1,000	991
Retained earnings	27,822	17,832
	34,822	19,198

Dividend distributed after the balance sheet date

Extraordinary dividend	1,900	569
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7 Intangible assets

	Acquired licences EUR'000
Additions	119
Cost end of year	119
Carrying amount end of year	119

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment EUR'000
Additions	212
Cost end of year	212
Depreciation for the year	(5)
Depreciation and impairment losses end of year	(5)
Carrying amount end of year	207
Recognised assets not owned by entity	207

9 Financial assets

	Investments in group enterprises EUR'000
Cost beginning of year	42,389
Exchange rate adjustments	112
Additions	37,941
Cost end of year	80,442
Revaluations beginning of year	7,474
Exchange rate adjustments	(470)
Transfers	9,078
Amortisation of goodwill	(3,052)
Share of profit/loss for the year	39,722
Dividend	(52,752)
Revaluations end of year	0
Transfers	(9,078)
Impairment losses end of year	(9,078)
Carrying amount end of year	71,364
Goodwill or negative goodwill recognised during the financial year	10,830

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Polytech A/S	Esbjerg	A/S	100
PolyTech Test & Validation A/S	Esbjerg	A/S	100
PolyTech Manufacturing A/S	Esbjerg	A/S	100
PolyTech Wind Power Technology (Wuxi) Co., Ltd.	China	Ltd.	100
PolyTech Wind Power Technology Inc.	USA	Inc.	100
PolyTech Lightning A/S under liquidation	Esbjerg	A/S	100
PolyTech Manufacturing Mexico, S. de R.L. de C.V	Mexico	R.L de C.V.	100
Polytech Wind Power Technology Germany GmbH	Germany	GmbH	100
Fos4X Wind Power Technology (Beijing) Co., Ltd.	China	Ltd.	100

10 Deferred tax

Changes during the year	2020 EUR'000	2019 EUR'000
Beginning of year	5	(2)
Recognised in the income statement	4	7
End of year	9	5

Deferred tax assets primary relates to property, plant and equipment and liabilities other than provisions.

Deferred tax assets comprise of temporary differences between the tax base and the carrying amount.

11 Prepayments

Prepayments consist of prepaid expenses.

12 Share capital

	Number	Recorded par value EUR'000
Share capital	101,133	13
	101,133	13

13 Non-current liabilities other than provisions

	Due within 12 months 2020 EUR'000	Due within 12 months 2019 EUR'000	Due after more than 12 months 2020 EUR'000
Bank loans	6,393	2,343	11,510
Lease liabilities	0	0	194
	6,393	2,343	11,704

14 Unrecognised rental and lease commitments

	2020 EUR'000	2019 EUR'000
Liabilities under rental or lease agreements until maturity in total	1,966	0

15 Contingent liabilities

	2020 EUR'000	2019 EUR'000
Recourse and non-recourse guarantee commitments	2,341	2,334
Contingent liabilities	2,341	2,334

The Entity participates in a Danish joint taxation arrangement where VC VIII Jupiter Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

16 Assets charged and collateral**Collateral provided for group enterprises**

Bank loans are secured by pledge of shares in PolyTech A/S, PolyTech Test & Validation A/S and PolyTech Manufacturing A/S. The carrying amount of the investment is EUR 34,427 k.

Total withdrawal on the banking arrangements amounts to EUR 61,715k at 31 December 2020.

The Entity has guaranteed group enterprise's debt with Nykredit. The guarantee is unlimited.

Bank loans of group enterprise amount to EUR 0k.

17 Related parties with controlling interest

VC VIII Polytech Holding Norge AS, Oslo, Norway (Parent company of VC VIII Polytech Holding ApS)

JBP Holding AS, Oslo, Norway (Parent company of VC VIII Polytech Norge AS)

Verdane Capital VIII K/S, Copenhagen, Denmark (Ultimate parent company)

18 Transactions with related parties

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

19 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
JBP Holding AS, reg. np. 822 262 252, Oslo, Norway.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
JBP Holding AS, reg. no. 822 262 252, Oslo, Norway.

Copies of the consolidated financial statements of JBP Holding AS may be ordered at the following address:
www.cvr.dk in addition to the financial statement of VC VIII Polytech A/S, reg. no. 36459948.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

The annual report is presented in Euros at a EUR/DKK rate of 7.45 (2019: 7.47)

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. VC VIII Polytech Holding ApS and its subsidiaries are included in the consolidated financial statements of JBP Holding AS.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise of software.

Software are measured at cost less accumulated amortisation. Software are amortised over 3-4 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-6 years
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For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the positive difference between cost of investments and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 7-10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement as it is included in the group cash flow statement of JBP Holding AS.